

**REGULAR MEETING OF
BELMONT REDEVELOPMENT AGENCY
Tuesday, July 12, 2011
CITY COUNCIL CHAMBERS, ONE TWIN PINES LANE**

CALL TO ORDER – 8:07 P.M.

ROLL CALL

Directors Present: Wozniak, Warden, Feierbach, Lieberman, Braunstein

Directors Absent: None

Staff Present: Executive Director Scoles, Interim City Attorney Kane, Agency Counsel Ramiza, Finance Director Fil, City Treasurer Violet, Agency Secretary Cook

PUBLIC/DIRECTORS COMMENTS

George Burgess, Belmont Chamber of Commerce, expressed the Chamber's support for Consent Item 4-B (Resolution Authorizing \$500 Assessment to the League of California Cities' and the California Redevelopment Association's Litigation Defense Fund).

CONSENT CALENDAR

Approval of Minutes of Special Meeting of May 31, 2011 and Regular Meeting of June 14, 2011

Approval of Resolution 543 Authorizing \$500 Assessment to the League of California Cities' and the California Redevelopment Association's Litigation Defense Fund

Approval of Resolution 544 Authorizing A Professional Services Agreement with Keyser Marston Associates to Prepare Financial Analysis Scenarios for the Future of the Belmont Redevelopment Agency for an Amount Not to Exceed \$7,000

ACTION: On a motion by Director Warden, seconded by Director Braunstein, the Consent Agenda was unanimously approved by a show of hands.

ADDITIONAL BUSINESS

Update Regarding State Elimination Of Redevelopment Agencies (Abx1 26 And Abx1 27)

Finance Director Fil outlined the recent actions taken by the State legislature that could affect redevelopment agencies. He noted that cities will be required to take action to keep their redevelopment agencies intact. He explained that redevelopment agencies will be barred from taking any actions other than paying on existing debt, as well as barred from entering into new agreements or committing to new projects. He noted that the position of League of California Cities and the California Redevelopment Agency is that the State actions are unconstitutional.

Finance Director Fil explained that the State action is retroactive to January 1, 2011, and could affect assets that Belmont's Redevelopment Agency recently transferred to City ownership. He noted that there are punitive consequences if the State action is challenged. He noted that it is uncertain if the Bohannon project will be affected due to the timing of recent actions taken by the Redevelopment Agency. He explained that the legislation set a dissolution date of October 1, 2011. He stated that the fiscal effect on Belmont's Redevelopment Agency could be \$2.2 million for the current fiscal year, with additional payments due annually. He noted that more details will be available from the Department of Finance on August 1st.

Finance Director Fil stated that six full-time equivalent positions could be affected by this action, some of whose salaries are directly paid by the Agency, and some indirectly. He noted that future actions of the Agency will include adoption of a continuation ordinance, and that the Agency could also choose to wind down the Redevelopment Agency's activities and terminate its existence.

Agency Counsel Ramiza stated that the League of California City/California Redevelopment Agency lawsuit will likely be filed within a week, and he clarified it is likely to be filed directly with the California State Supreme Court in order to expedite a decision and get clear resolution to legal questions.

In response to Directors' questions, Agency Counsel Ramiza clarified that damages are not being sought as part of the lawsuit, as the lawsuit seeks injunctive relief and to invalidate the actions taken by the legislature. With regard to the legality of the retroactive provision of the legislation, he stated that the lawsuit contends that this is against public policy.

Agency Chair Feierbach expressed concern regarding the status of property ownership.

Finance Director Fil noted that the low-to-moderate income fund can be used for the 2011-12 payment.

ACTION: On a motion by Director Lieberman, seconded by Director Wozniak, and unanimously approved by a show of hands to direct staff to prepare a Resolution of Intent to Adopt Continuation Ordinance, and prepare a Statement of Enforceable Obligation.

ADJOURNMENT at this time, being 8:30 P.M.

Terri Cook
Agency Secretary

Meeting audio-recorded and videotaped
Audio Recording 793